

NEVADA STATE BOARD OF ACCOUNTANCY

Minutes

March 4, 2020

An open meeting of the Nevada State Board of Accountancy was called to order at 9:00 A.M. by President, Candace Johnson, March 4, 2020 at the offices of First Independent Bank, 5335 Kietzke Lane, Reno, Nevada.

MISSION STATEMENT

The mission of the Nevada State Board of Accountancy is to protect the welfare of the citizens of the State of Nevada by assuring the competency of persons licensed as Certified Public Accountants (CPAs) and compliance with professional standards by the registered CPA firms.

Board Members Present:

Candace Johnson, President	Michael E. Davis, Secretary/Treasurer	
Kerry Eaton	Nicola Neilon	Rachel Thomsen
Jannet Vreeland	Brian Wallace	

Board Staff Present:

Karen Peterson, Counsel
Viki A. Windfeldt, Executive Director
Leslie C. Walsh, Deputy Director

- A. Call to Order, Roll Call and Establish a Quorum
- B. **Public Comment Section:** In accordance with NRS 241.020 Public Comment will be taken prior to the beginning of the meeting.
Note: No one was present for this section of the public comment agenda item.

◆ ◆ ◆ ◆ CONSENT AGENDA ◆ ◆ ◆ ◆

The Consent Agenda contains matters of routine acceptance. The Board Members may approve the consent agenda items as written or, at their discretion, may address individual items for discussion or change.

- *1. Approval of January 15, 2020 Board Meeting Minutes (*For Possible Action*)
- *2. Approval of Applications for Certified Public Accountant – Non-Appearance (*For Possible Action*):

Kristine Adams	Elyse Argyropoulos	Kenneth Bayless	Carolyn Chasteen
William Chen	Charles Dietz	Christopher Duranso	Ahmad El-Khatib
Kevin Gafni	Delcy Gillen	James Henderson	Melissa Loeffler
Darci Mardock	Danim Morris	Robert Nelson	Ansje Johanna Perris
Michael Riggs	Natalie Sanchez	Anna Skopicheva	Carlan White
Chad Young			

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- *3. Approval of Change to License Status *(For Possible Action)*:

<u>Retired Status:</u>	Pamela Boe	Anne Audrain Cooper	
	William Crandall	Lori Curry	LaVonne Duhon
	Larry Felesina	Richard Gilman	Pamela Piper
	Marianne Reeves	Laurie Rikke	Bruce Rose
	Gregory Stamberger	Mark Shonnard	
<u>Inactive Status:</u>	Daniel Allen	Debora Blakely	Torrey Clark
	Laura Cripe	Brian Stedeford	
<u>Return Active:</u>	Julie Stratton		

- *4. Approval of Finances *(For Possible Action)*
 - A. Monthly Income & Expense

- *5. Board Approval of Fictitious Name Use: *(For Possible Action)*
 - A. Valor CPAs LLC

- *6. No items scheduled under this agenda item

- *7. No items scheduled under this agenda item

The consent agenda and supporting documents were reviewed by the Board. Motion was made, seconded and carried to approve the consent agenda items. The following Board Members abstained from voting on Applications for Certified Public Accountant, based on personal interest. Brian Wallace for Ansje-Johanna Perris and Rachel Thomsen for Kenneth Bayless and Carlan White.

◆ ◆ ◆ ◆ REGULAR AGENDA ◆ ◆ ◆ ◆

Agenda Item 8: Grievance Report and Grievance Matters *(For Possible Action)*

Note: NRS 241.020 requires the Board to list individuals that may have administrative action taken against them in connection with the Board’s disciplinary grievance report. The Board may convene in closed session to consider the character, alleged misconduct, professional competence or physical or mental health for any of the grievances filed with or disciplinary action considered by the board.

- A. Review of Grievance Report *(For Possible Action)*

Motion was made, seconded and carried to close complaint matter I2018.008 based on recommendation of investigator and lack of cause for further Board action. Board member Brian Wallace abstained from the vote.

Motion made, seconded and carried to close complaint matter F2020.001, F2020.002 and F2020.003 based on assurances provided. Board member Brian Wallace abstained from the vote.

Agenda Item 9: Report of Legal Counsel *(For Possible Action)*

Karen Peterson, Legal Counsel discussed disclosures required by Board members on contracts with government agencies, based on the training by the Nevada Commission on Ethics.

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Agenda Item 10: Report of Executive Director *(For Possible Action)*:

Administrative Items:

A. Review of Monthly Board Statistics

Executive Director provided the Board with a report of the monthly board office administrative detail statistics since the last Board meeting.

B. Nevada State Required Reporting Monitoring Update

Executive Director provided the Board with an updated report for the Nevada State Required Reporting document.

Miscellaneous Items:

C. Legislative Sunset Review Committee February 21st Meeting Update

Executive Director provided the Board with an update from the Legislative Sunset Review Committee meeting. The committee approved the form that will be sent to all Boards for response which includes questions relating to the Senate Resolution 6 Bill, AB319 compliance and Military application processes.

D. Executive Branch Audit Committee February 26th Meeting Update

Executive Director provided the Board with an update from the Executive Branch Audit Committee meeting. The committee listened to the recommendation by Business & Industry director regarding the consolidation model used by Utah and Colorado. This item was informational only and no further action was taken by the committee.

E. NASBA Regional Director Focus Questions

Executive Director provided the Board with the NASBA Regional Director Focus Questions. The Board provided responses to the questions for submission to NASBA.

F. Nevada Society of CPAs Peer Review Administering Entity Oversight Report – Informational Only

Executive Director provided the Board with information relating to the latest oversight report from the AICPA for the Nevada Society of CPAs Peer Review Administering Entity program.

G. FARB Conference Follow Up

Executive Director provided follow up information after attending the FARB Conference in January.

H. Board Financial Statement Audit Contract Update and Direction

Executive Director informed the Board that in order for new Board Member Rachel Thomsen to serve on the Board, the Board would not be able to continue its contract for audit services with Eide Bailly LLP, as it would be a conflict. It was determined that having Ms. Thomsen on the Board took precedence over the current contract. Therefore, the Board will need to solicit proposals for audit services. The Board discussed the issue and directed staff to obtain proposals for approval at the next Board meeting.

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Agenda Item 10 (Cont.):

I. NVCPA Foundation – Board Contribution Update and Direction
Executive Director provided information from the Nevada Society of CPAs regarding the Board's contribution toward the attendance of Nevada High School teachers at the AICPA Advanced Accounting Program training. There are unused dollars that need to be distributed. The Board discussed the options regarding the funds and determined that any excess funds be used for transportation costs to any NABA attendees. Anything left over will be used toward scholarships.

J. Board Requirements for Reciprocity Applications
Executive Director informed the Board that the Sunset Committee is reviewing the processes for out of state applicants to obtain a license. The reciprocal application requires Board staff to obtain original transcripts, license and exam verification from the state board and a variety of other documents. Staff asked the Board if any of these items could be verified through the NASBA Accountancy License Database. Staff would like to identify areas where the application process might be lightened. This item was informational only and no further action was taken by the Board.

Agenda Item 11: Board Determination & Approval of Applications for Certified Public Accountant *(For Possible Action):*

A. Richard J. Peters
The Board reviewed the application and information provided for licensure. Legal Counsel Karen Peterson summarized the terms of the consent order that was approved at the January 2020 meeting. Motion was made, seconded and carried to approve licensure of Richard J. Peters based on the information provided. Board Member Nicola Neilon, CPA abstained from voting on this item, due to personal interest.

B. Xiaoxia Sarah Gao
The Board reviewed the application and experience report conducted by Investigator Patrick Thorne, CPA. Motion was made, seconded and carried to approve the application for licensure based on the information provided.

C. Allan Guttentag
The Board reviewed the application and information provided by the CA Board of Accountancy. Motion was made, seconded and carried to approve the application for licensure based on the information provided.

Agenda item 12: Nevada Commission on Ethics Board Member & Staff Training

A. Yvonne Nevarez-Goodson, Esq, Executive Director

Appearance 9:00 AM

Attorney Yvonne Nevarez-Goodson was present to provide the Board with the required Ethics Training for Board Members and Staff. Attached to the minutes are the training documents.

◆ ◆ ◆ ◆ PUBLIC HEARING - 10:00 AM ◆ ◆ ◆ ◆

- *13. **Proposed Regulation Amendment Public Hearing** – The purpose of the public hearing is to solicit comments from interested persons on the following general topics that may be addressed in the proposed regulations. The Board may act to approve the proposed regulations. (*For Possible Action*)
- A. Amendment of Nevada Administrative Code Chapter 628 required as a result of recent changes to NRS Chapter 622 by the Nevada Legislature in Assembly Bill 319 effective July 1, 2019. In addition, the proposed regulation adds certain provisions for submitting petitions for declaratory orders, advisory opinions and for the proposed adoption, amendment or repeal of regulations and provides the Board may authorize its staff or a committee of members of the Board and staff to grant certificates of certified public accountant or firm registrations to qualified individuals or public accounting firms subject to Board ratification at its next regularly scheduled Board meeting and provides for other matters property related thereto.

The Board of Accountancy conducted a public hearing to consider the proposed regulations to Nevada Administrative Code (NAC) Chapter 628. Karen Peterson, Board Legal Counsel, summarized the proposed language changes.

No individuals attended the proposed regulation amendment public hearing and the Board received no comments prior to the workshop regarding the proposed regulations.

Motion was made, seconded and carried to approve the regulation language based on the information provided. The Legislative Counsel Bureau will be informed of the approval and schedule the language to go before the Interim Legislative Committee for final approval.

Agenda Item 14: Board approval of amendments to Board Policies
(*For Possible Action*):

A. Personnel Salary & Benefit Policy

The Board was provided with amended language to the Salary & Benefit Policy. Board Legal Counsel summarized the changes. Motion was made, seconded and carried to approve the amendments to the policy as provided.

B. Criminal History Petition Policy

The Board was provided with the finalized version of the previously approved Criminal History Petition Policy for informational purposes only.

Agenda Item 15: President's Report (*For Possible Action*)

Nothing was discussed under this agenda item.

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Agenda Item 16: Next Board Meeting: May 13, 2020 Las Vegas

C. **Public Comment Section:** In accordance with NRS 241.020 Public Comment will be taken prior to the adjournment of the meeting.

Note: No one was present for this section of the public comment agenda item.

D. Adjournment

NEVADA STATE BOARD OF ACCOUNTANCY
STATISTICS INFORMATION

Board Statistics	January 2019 to July 31, 2019	August 2019	September 2019	October 2019	November 2019 as of 11/6/19	December 2019	January February 18th 2020
Administration							
Website Hits	209,408 (July)	313,390	196,017	404,491	222,388	560,035	586,291 216,151
Examination							
Initial Applications	119	27	31	14	15	14	31
Re-Exam Applications	294	52	53	40	38	44	45
Licensing							
Original Certification Applications	44	18	3	10	4	14	15
Reciprocal Applications	47	7	6	3	6	5	6
Licenses Issued	89	0	45	0	23	0	30
Individual Experience Reviews	2	1	0	1	0	0	1
Return Active Status	3	0	1	0	1	1	0
Retired Status	24	1	1	0	2	19	20
Inactive Status	13	2	3	0	2	9	9
Voluntary Surrender	50	1	5	0	1	1	15
Practice Privilege Applications	28	2	2	0	2	5	6
In State Firm Applications	19	1	3	2	7	1	4
Fictitious Name Applications	6	2	2	0	3	2	2
Criminal History Petitions (AB319)	0	0	0	0	0	0	0
Enforcement							
Complaints - Licensee	15	1	4	5	0	0	1
Complaints - Non-Licensee	10	1	0	0	0	0	1
Complaints - Firms	8	1	1	6	2	0	3
CPE Shortage Complaints	111	4	0	0	8	0	0
Stipulated Agreements	1	0	1	1	0	0	1
Disciplinary Hearings	4	0	0	0	2	0	0
Peer Review Compliance Monitoring	39	62	58	50	42	24	24
Pending Litigation Monitoring	26	26	26	26	25	25	28
Fingerprint/Background Processing	88	26	9	8	12	13	39
Peer Review							
Submissions				225			
Exemptions				923			
CPE Audit							
Submissions	172						
Exemptions	19						
Out of State	47						
Renewals							
Individual CPA Renewal	3321					1725	1634
Firm Renewal	695					404	302
Meetings/ Training							
FARB Executive Director Training	1						
FARB Board Member Training	1						
Combined Occup/Prof Boards Meetings	7	1	1	1	1	1	1
Board of Accountancy Mtgs	4	0	1	1	1	0	1
Certified Contract Manager Course	1			1			